

obligation. All the statute requires is that operators providing such services must do so at rates consistent with maximum reasonable rates established by the Commission.<sup>54/</sup> Oddly enough, after reading an obligation to serve into the statute, the Order next declines to interfere with the pricing of such services — the one task actually assigned to the Commission by the statute.<sup>55/</sup> Even more curiously, the decision not to regulate the maximum rates for billing and collection is at least partially based upon the (correct) observation that competition will constrain the pricing of such services by cable operators. Plainly, the logic of the treatment of these issues is reversed.

First, there is no statutory obligation to provide billing and collection services to channel lessees. The plain language of the relevant section permits regulating the rates for such services, but says nothing about a duty to deal. Moreover, the Commission cannot fairly put the burden upon cable operators to demonstrate the absence of the need for regulation — the 1992 Cable Act prefers competition over regulation.<sup>56/</sup>

Moreover, the record does support the availability of alternative suppliers for such services. First, the comments established that many cable operators actually contract out this function to third parties who would plainly be available to lessees.<sup>57/</sup> Comcast and many other cable operators utilize third-party

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<sup>54/</sup> 47 U.S.C. § 532(c)(4)(A)(i)-(ii).

<sup>55/</sup> Order at ¶ 505.

<sup>56/</sup> 47 U.S.C. § 543(a)(2).

<sup>57/</sup> See, e.g., Viacom Reply Comments at 17-19.

billing vendors. Indeed, in the cable industry third-party billing is the rule rather than

**V. CONCLUSION**

The Commission should reconsider the Order. As now in place, the rules will undermine the expansion and improvement of cable service that arose as a result of the 1984 Cable Act, creating a stagnant industry frozen where it was in September, 1992. The rules also will prevent cable operators from making legitimate responses to the competition they face from SMATV and MMDS providers and the leased access rules will impose an unfair competitive burden that is inconsistent with the overall statutory scheme. For all of these reasons, Comcast Corporation respectfully requests the Commission to reconsider the rules adopted in this proceeding in accordance with the proposals contained herein.

Respectfully submitted,